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### **ORIGINAL**

Lynn R. Charytan

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June 25, 2004

RECEIVED

JUN 2 5 2004

Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: Petition of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc., and for Expedited Arbitration, CC Docket Number 00-218

Dear Ms. Dortch:

On June 18, 2004, the Virginia State Corporation Commission ("SCC") approved the voluntarily-negotiated amendment to the interconnection agreement between Verizon Virginia Inc. ("Verizon VA") and WorldCom, Inc. ("MCI"). The amendment approved by the SCC is the same amendment that MCI submitted to the Commission for approval on March 26, 2004. Accordingly, Verizon VA's Motion to Strike MCI's Submission for Approval of Amendment to

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The SCC approved the amendment with respect to three MCI entities that have agreements with Verizon VA: MCImetro Transmission Services of Virginia, Inc., MCI WorldCom Communications of Virginia, Inc., and Intermedia Communications, Inc. Only the former two entities were parties to the Commission's arbitration. On May 7, the SCC also approved the same amendment with respect to agreements between various MCI entities and Verizon South, Inc. (the company that provides serves to the former GTE service areas in Virginia). Copies of the SCC's orders approving the amendments for the two MCI entities that were parties to the Commission's arbitration are attached to this letter.

Verizon-MCI Interconnection Agreement, filed on April 8, 2004, should now be granted, or, at minimum, MCI's request for approval should be dismissed as moot. As Verizon explained in its motion, MCI's submission was inappropriate in the first place, because the Act does not provide for Commission review of negotiated agreements; if the state fails to act, the Act provides that a negotiated agreement "shall be deemed approved." 47 U.S.C. § 252(e)(4). But in any event, the SCC clearly has not "fail[ed] to act," id. § 252(e)(5), and therefore there would be no statutory authority for the Commission to act on the amendment under any circumstances. Indeed, the SCC's approval of the amendment underscores the fact that in conducting the initial arbitration of the parties' interconnection dispute, the Commission did not revoke the SCC's authority for all time to oversee the parties' interconnection in Virginia. As the SCC noted in its orders, the proceedings it opened to consider the amendments are "continued generally" before the SCC "for the consideration of any subsequent revisions or amendments to the [Verizon VA-MCI] Agreement." Attached Orders at 3.

Should there be any questions, please contact me at 202.663.6455.

Respectfully submitted,

Ly**y**n R. Charytan

(Encl.)

cc: Service List

### **CERTIFICATE OF SERVICE**

I do hereby certify that true and accurate copies of the foregoing were served by hand delivery via courier on this 25th day of June, 2004, to:

Tamara Preiss
Federal Communications Commission
Pricing Policy Division
Wireline Competition Buereau
445 12th Street, SW
Washington, D.C. 20554

Steven Morris
Federal Communications Commission
Pricing Policy Division
Wireline Competition Bureau
445 12th Street, SW
Washington, D.C. 20554

Mark A. Keffer Dan W. Long Stephanie Baldanzi AT&T 3033 Chain Bridge Road Oakton, Virginia 22185

Allen Feifeld, Esq. Kimberly Wild WorldCom, Inc. 1133 19th Street, N.W. Washington, D.C. 20036

David Levy Sidley, Austin, Brown & Wood 1501 K Street, N.W. Washington, D.C. 20005

Mark Schneider Jenner & Block LLC 601 Thirteenth Street, N.W. Washington, D.C. 20005

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John Meehan

# Attachment

# COMMONWEALTH OF VIRGINIA 04 063 0214

### STATE CORPORATION COMMISSION COMMENT CONTROL

AT RICHMOND, JUNE 18, 2004

APPLICATION OF

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VERIZON VIRGINIA INC.

CASE NO. PUC-2004-00040

and

MCIMETRO ACCESS TRANSMISSION SERVICES OF VIRGINIA, INC.

For approval of an interconnection agreement under § 252(e) of the Telecommunications Act of 1996

#### ORDER APPROVING AMENDMENT

On March 22, 2004, Verizon Virginia Inc. ("Verizon") and MCImetro Transmission Services of Virginia, Inc. ("MCImetro"), filed for State Corporation Commission ("Commission") approval pursuant to §§ 251 and 252 of the Telecommunications Act of 1996 (the "Act"), 47 U.S.C. §§ 251 and 252, Amendment No. 1 ("Amendment") to their interconnection agreement ("Agreement") approved by the Wireline Competition Bureau of the Federal Communications Commission ("FCC"). The Amendment makes changes to the terms and conditions of the Agreement.

Counsel for Verizon indicated that notice of the Amendment was served on the modified service list in this case as defined in the Commission's Procedural Rules for Implementing §§ 251 and 252 of the Act, 20 VAC 5-419-10 et seq. ("Procedural Rules").

Comments were filed by Level 3 Communications, LLC ("Level 3"), on April 15, 2004. Level 3 requests that if the Amendment is approved, the Commission note that the negotiated

A copy of the original interconnection agreement approved by the FCC was provided with this filing.

terms of the Amendment are not necessarily in compliance with Section 251 of the Act and that such approval cannot serve as a precedent for any future arbitration. On April 26, 2004, Verizon filed its Reply, noting that no opposition to the Amendment has been filed and that Level 3's concerns are already addressed by the Commission's standard language in its orders approving negotiated agreements and amendments.

The Commission finds that no precedent attaches to our Order approving the Amendment as provided hereinafter. Furthermore, whether or not the negotiated terms of the Amendment comply with Section 251 of the Act, the parties are clearly entitled to negotiate their Amendment "without regard to the standards set forth in subsections (a) and (c) of Section 251" (Section 252 (a) (1) of the Act). Therefore, the concerns raised by Level 3 in its comments need not be addressed further in this case.

Whether the Commission is authorizing alternative forms of regulation or certificating competitive providers, it must assure the continuation of quality local exchange telecommunications services and protect the public interest. The Commission has a duty under the Constitution of Virginia and the Code of Virginia to regulate the operations of telecommunications public service companies to assure conformance to the public interest. See Va. Const. art. IX, § 2, and § 56-35, § 56-265.4:4, and Chapter 15 of Title 56 of the Code of Virginia. Our action approving the Amendment negotiated between Verizon and MCImetro is taken pursuant to that authority.

Notwithstanding their negotiated agreement, Verizon, MCImetro, and all other providers of local exchange telecommunications services must comply with all statutory standards and Commission rules and regulations.

As required by 20 VAC 5-419-20 2 of the Procedural Rules, we have reviewed the negotiated portions of the Amendment. We find no reason to reject this Amendment.

We find that the Amendment should be approved. It should not, however, be viewed as Commission precedent for other agreements. The Amendment is directly binding only on Verizon and MCImetro.

Accordingly, IT IS THEREFORE ORDERED THAT:

- (1) Pursuant to the Commission's authority to regulate public service companies as authorized by the Virginia Constitution, art. IX, § 2, and § 56-35 of the Code of Virginia, the Amendment submitted by Verizon and MCImetro is hereby approved.
- (2) A copy of this Amendment shall be kept on file in the Commission's Division of Communications for inspection by the public.
- (3) This matter is continued generally for the consideration of any subsequent revisions or amendments to the Agreement.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to:

Lydia R. Pulley, Vice President, Secretary, and General Counsel, Verizon Virginia Inc., 600 East
Main Street, 11th Floor, Richmond, Virginia 23219-2441; Kimberly Wild, Esquire, MCI
WorldCom, Inc., 1133 19th Street, N.W., Washington, D.C. 20036; Gary Tucker, Esquire,
Level 3 Communications, LLC, 1025 Eldorado Boulevard, Broomfield, Colorado 80021;
C. Meade Browder, Jr., Senior Assistant Attorney General, Division of Consumer Counsel,
Office of Attorney General, 900 East Main Street, 2nd Floor, Richmond, Virginia 23219; and the
Commission's Office of General Counsel and Division of Communications.

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COMMONWEALTH OF VIRGINIA 040630215

STATE CORPORATION COMMISSION SCUMENT CONTRO

AT RICHMOND, JUNE 18, 2004

APPLICATION OF

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80 # Q 81 ML NO

VERIZON VIRGINIA INC.

CASE NO. PUC-2004-00039

and

MCI WORLDCOM COMMUNICATIONS OF VIRGINIA, INC.

For approval of an interconnection agreement under § 252(e) of the Telecommunications Act of 1996

### ORDER APPROVING AMENDMENT

On March 22, 2004, Verizon Virginia Inc. ("Verizon") and MCI WORLDCOM Communications of Virginia, Inc. ("MCI WORLDCOM"), filed for State Corporation Commission ("Commission") approval pursuant to §§ 251 and 252 of the Telecommunications Act of 1996 (the "Act"), 47 U.S.C. §§ 251 and 252, Amendment No. 1 ("Amendment") to their interconnection agreement ("Agreement") approved by the Wireline Competition Bureau of the Federal Communications Commission ("FCC"). The Amendment makes changes to the terms and conditions of the Agreement.

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<sup>&</sup>lt;sup>1</sup> A copy of the original interconnection agreement approved by the FCC was provided with this filing.

such approval cannot serve as a precedent for any future arbitration. On April 26, 2004, Verizon filed its Reply, noting that no opposition to the Amendment has been filed and that Level 3's concerns are already addressed by the Commission's standard language in its orders approving negotiated agreements and amendments.

The Commission finds that no precedent attaches to our Order approving the Amendment as provided hereinafter. Furthermore, whether or not the negotiated terms of the Amendment comply with Section 251 of the Act, the parties are clearly entitled to negotiate their Amendment "without regard to the standards set forth in subsections (a) and (c) of Section 251" (Section 252 (a) (1) of the Act). Therefore, the concerns raised by Level 3 in its comments need not be addressed further in this case.

Whether the Commission is authorizing alternative forms of regulation or certificating competitive providers, it must assure the continuation of quality local exchange telecommunications services and protect the public interest. The Commission has a duty under the Constitution of Virginia and the Code of Virginia to regulate the operations of telecommunications public service companies to assure conformance to the public interest. See Va. Const. art. IX, § 2, and § 56-35, § 56-265.4:4, and Chapter 15 of Title 56 of the Code of Virginia. Our action approving the Amendment negotiated between Verizon and MCI WORLDCOM is taken pursuant to that authority.

Notwithstanding their negotiated agreement, Verizon, MCI WORLDCOM, and all other providers of local exchange telecommunications services must comply with all statutory standards and Commission rules and regulations.

As required by 20 VAC 5-419-20 2 of the Procedural Rules, we have reviewed the negotiated portions of the Amendment. We find no reason to reject this Amendment.

We find that the Amendment should be approved. It should not, however, be viewed as Commission precedent for other agreements. The Amendment is directly binding only on Verizon and MCI WORLDCOM.

Accordingly, IT IS THEREFORE ORDERED THAT:

- (1) Pursuant to the Commission's authority to regulate public service companies as authorized by the Virginia Constitution, art. IX, § 2, and § 56-35 of the Code of Virginia, the Amendment submitted by Verizon and MCI WORLDCOM is hereby approved.
- (2) A copy of this Amendment shall be kept on file in the Commission's Division of Communications for inspection by the public.
- (3) This matter is continued generally for the consideration of any subsequent revisions or amendments to the Agreement.

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WORLDCOM, Inc., 1133 19th Street, N.W., Washington, D.C. 20036; Gary Tucker, Esquire,
Level 3 Communications, LLC, 1025 Eldorado Boulevard, Broomfield, Colorado 80021;
C. Meade Browder, Jr., Senior Assistant Attorney General, Division of Consumer Counsel,
Office of Attorney General, 900 East Main Street, 2nd Floor, Richmond, Virginia 23219; and the
Commission's Office of General Counsel and Division of Communications.

A True Copy Teste:

> Clerk of the State Corporation Commission